

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 2069 - SB 2088

March 23, 2022

SUMMARY OF BILL AS AMENDED (015445, 016320): Establishes the Tennessee Bullion Depository in the office of the State Treasurer, with the purpose of serving as the custodian, guardian, and administrator of certain bullion and specie. Requires assets held by the depository to be under the custody of the State Treasurer. Authorizes the State Treasurer to retain staff and enter into contracts to facilitate the effective administration, operation, management, security, and oversight of the Depository. Prohibits state funds from being used on the construction, maintenance, or improvement of the Depository. Authorizes the State Treasurer to promulgate rules to effectuate this act, including, but not limited to, the imposition of fees. Requires the State Treasurer to submit an annual report each fiscal year regarding the activities of the Tennessee Bullion Depository to the Governor, Speakers of the Senate and House of Representatives, and Legislative Librarian, and make the report available to the General Assembly. Requires all annual audit costs be paid for by the depository institution that has entered into an agreement with the Depository to provide a retail location for the provision of depository services to the public. Effective 30 days after the effective date of an act that exempts bullion made of precious metals from the application of sales tax.

FISCAL IMPACT OF BILL AS AMENDED:

Other Fiscal Impact – Due to multiple unknown variables, any administrative and operational costs cannot be quantified with reasonable certainty at this time. However, state funds are prohibited from being used on the construction, maintenance, or improvement of the Depository. Therefore, it is assumed that any expenditures required of the Department of Treasury will be offset by administrative fee revenue.

Assumptions:

- State funds are prohibited from being used to maintain the Depository; it's assumed that any expenditures required of the Department of Treasury will be offset by administrative fee revenue.
- The proposed legislation is estimated to have a negligible impact on revenue raised from the excise tax; therefore, any fiscal impact to state or local government is considered to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The script is cursive and fluid.

Krista Lee Carsner, Executive Director

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